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Westly Reports Receipts Up More Than 12 Percent from Last Year

SACRAMENTO – State Controller Steve Westly announced today California’s cash receipts through January grew 12.5 percent over the same period last year, a nearly \$5.6 billion increase.

“Even though our growth is positive, the Governor needs to get serious about our ongoing structural deficit,” Westly said. “The \$6.5 billion the state is owed each year but isn’t collecting is money our schools, seniors and economy can put to good use.”

Westly has led collection efforts that have brought \$3.5 billion to the state. Governor Schwarzenegger last year vetoed four bills that would have cracked down on tax cheats and raised millions for state services.

According to the State Controller’s monthly General Fund Cash Basis Revenue Report, July through January receipts continued to show gains compared to the same seven months last fiscal year. Retail sales and use taxes were 10.5 percent higher; personal income taxes were 12.6 percent higher; and corporation taxes were 14.6 percent higher.

Retail sales and use taxes came in at nearly \$14.3 billion this fiscal year, almost \$1.4 billion above the same period last fiscal year. Personal income taxes totaled \$27.6 billion, almost 3.1 billion above last year. Corporation taxes yielded \$4.9 billion, \$622.5 million above last year.

Actual receipts to date for the current fiscal year are \$121.3 million lower than the Governor’s recent budget estimate, a 0.2 percent decrease.

January retail sales tax receipts were \$1 billion, 5.3 percent below of the current budget forecast and 17.6 percent higher than the same month last year. Income taxes receipts for January were \$8 billion, 0.5 percent ahead of budget estimates and 28.2 percent higher than the same month last year. Corporation taxes were \$212.2 million, 25 percent lower than the Governor’s estimate and 50.7 below January of last year.

Excerpt of General Fund Cash Basis Revenue report follows.

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General Fund Cash Basis Revenues for the Month of January 2006 *
Comparison of January 2006 to January 2005
In thousands

	Month of January		Comparison	
	2006	2005	Amount	%
Alcoholic Beverage Excise Tax	32,629	29,549	3,080	10.4
Corporation Tax	212,209	430,371	(218,162)	(50.7)
Cigarette Tax	3,084	8,273	(5,189)	(62.7)
Estate, Inheritance, and Gift Tax	3,603	18,870	(15,267)	(80.9)
Insurance Companies Tax	14,762	16,429	(1,667)	(10.1)
Personal Income Tax	8,045,699	6,277,579	1,768,120	28.2
Retail Sales and Use Taxes	1,039,877	884,619	155,258	17.6
Pooled Money Investment Interest	31,054	13,145	17,909	136.2
Not Otherwise Classified	110,586	49,184	61,402	124.8
Total Revenues	<u>9,493,503</u>	<u>7,728,019</u>	<u>1,765,484</u>	22.8

General Fund Cash Basis Revenues for the Fiscal Year through January 2006 *
Comparison of Fiscal Year 2006-07 to 2005-06
In thousands

	July 1 through January 31		Comparison	
	2006	2005	Amount	%
Alcoholic Beverage Excise Tax	196,883	192,696	4,187	2.2
Corporation Tax	4,897,255	4,274,751	622,504	14.6
Cigarette Tax	64,015	72,381	(8,366)	(11.6)
Estate, Inheritance, and Gift Tax	109,695	310,374	(200,679)	(64.7)
Insurance Companies Tax	1,107,800	1,028,683	79,117	7.7
Personal Income Tax	27,570,276	24,488,998	3,081,278	12.6
Retail Sales and Use Taxes	14,293,381	12,936,831	1,356,550	10.5
Pooled Money Investment Interest	212,317	73,265	139,052	189.8
Not Otherwise Classified	1,589,237	1,092,789	496,448	45.4
Total Revenues	<u>50,040,859</u>	<u>44,470,768</u>	<u>5,570,091</u>	12.5

* This information is based upon funded cash. Funded cash is cash reported to and recorded in the records of the State Controller's Office. Amounts reported as funded cash may differ from amounts in other reports to the extent there are timing differences in the recording of in-transit items.

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General Fund Cash Basis Revenues for the Month of January 2006 *
Comparison of Actual Amounts to 2006-07 Governor's Budget Estimate
In thousands

	Month of January		Actual Over or (Under) Estimate	
	Actual	Governor's Budget Estimate	Amount	%
Alcoholic Beverage Excise Tax	32,629	30,000	2,629	8.8
Corporation Tax	212,209	283,000	(70,791)	(25.0)
Cigarette Tax	3,084	10,000	(6,916)	(69.2)
Estate, Inheritance, and Gift Tax	3,603	-	3,603	-
Insurance Companies Tax	14,762	15,000	(238)	(1.6)
Personal Income Tax	8,045,699	8,006,000	39,699	0.5
Retail Sales and Use Taxes	1,039,877	1,098,000	(58,123)	(5.3)
Pooled Money Investment Interest	31,054	28,000	3,054	10.9
Not Otherwise Classified	110,586	93,000	17,586	18.9
Total Revenues	<u>9,493,503</u>	<u>9,563,000</u>	<u>(69,497)</u>	<u>(0.7)</u>

General Fund Cash Basis Revenues for the Fiscal Year through January 2006 *
Comparison of Actual Amounts to 2006-07 Governor's Budget Estimate
In thousands

	July 1 through January 31		Actual Over or (Under) Estimate	
	Actual	Governor's Budget Estimate	Amount	%
Alcoholic Beverage Excise Tax	196,883	194,396	2,487	1.3
Corporation Tax	4,897,255	4,857,394	39,861	0.8
Cigarette Tax	64,015	66,069	(2,054)	(3.1)
Estate, Inheritance, and Gift Tax	109,695	102,028	7,667	7.5
Insurance Companies Tax	1,107,800	1,114,786	(6,986)	(0.6)
Personal Income Tax	27,570,276	27,733,390	(163,114)	(0.6)
Retail Sales and Use Taxes	14,293,381	14,158,031	135,350	1.0
Pooled Money Investment Interest	212,317	209,453	2,864	1.4
Not Otherwise Classified	1,589,237	1,726,629	(137,392)	(8.0)
Total Revenues	<u>50,040,859</u>	<u>50,162,176</u>	<u>(121,317)</u>	<u>(0.2)</u>

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